



ILLINOIS REPUBLICAN PARTY

Andy McKenna, Jr.
Chairman

January 3, 2005

MUR # 5698

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RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Federal Election Commission
Office of General Counsel
999 E Street, NW
Washington, DC 20463

Re: Complaint Against Tenth District Blog, IL-10 General Election Fund and Zane Smith

Dear Sir or Madam:

This is a complaint against Tenth District Blog, IL-10 General Election Fund and Zane Smith, filed by the Illinois Republican Party, located at 205 W. Randolph St, Suite 205, Chicago, Illinois 60601.

I. BACKGROUND

A. Tenth District Blog

Tenth District Blog is an internet blog specifically dedicated to a Federal congressional election. By its own language, it is an "analysis on the 2006 congressional race in IL-10." Even its web address specifically states this: www.illinois10.blogspot.com. Attached are true and correct copies of the web blog itself.

Tenth District Blog expressly opposes the current representative from the Tenth District of Illinois, Republican Congressman Mark Kirk, while it praises several Democrat candidates – all the while identifying them as candidates. Tenth District Blog has republished various local Democrat party activities, including a debate summary prepared by the party.

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320 South Fourth Street, Post Office Box 78, Springfield, IL 62705-0078 Phone: (217) 525-0011 Fax: (217) 753-4712

Paid for by the Illinois Republican Party. www.ilgop.org.
Not authorized by any candidate or candidate committee.

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Tenth District Blog solicits funds. In fact, on its first page, Tenth District Blog solicits contributions for both Democrat candidate Zane Smith, as well as a Democrat general election fund, IL-10 General Election Fund.

There is nothing on the public record at the Commission that indicates that Tenth District Blog reports either its contributions or disbursements. Thus, its source of funding remains unknown. There are no disclaimers on the web site. Contributors are not asked for best efforts. There is no indication that contributions are not tax deductible for federal income tax purposes.

B. Past Illegal Activity

Tenth District Blog is reminiscent of other activity that occurred in Illinois, conduct that the Commission and the courts have found to be illegal. MUR 5031 began as a complaint filed by the Rock Island Republican Central Committee against a group called the Victory Fund, which was formed to help the candidacy of Democrat Congressman Lane Evans. The investigation discovered that the Victory Fund was largely directed by the Evans committee, and that much of its activity, including its soft money activity, was coordinated with Evans. Critically, the Victory Fund had not registered with the Commission or established a separate federal account, although it accepted contributions.

II. ANALYSIS OF VIOLATIONS

A. Tenth District Blog is a Political Committee

The Federal Election Campaign Act of 1971 (as amended) and Commission regulations define the terms "contribution" and "expenditure" to include any gift of money or "anything of value" for the purposes of influencing a Federal election. 2 U.S.C. 431(8)(A) and (9)(A); 11 CFR 100.52(a) and 100.111(a). Further, the Act and Commission regulations define a "political committee" as any group that makes \$1,000 of expenditures or receives \$1,000 of contributions during a calendar year. 2 U.S.C. 431(4)(A) and 11 CFR 100.5(a). The fact that the Tenth District Blog is soliciting funds specifically for a federal candidate is reason to believe that it is in fact a political committee that ought to be reporting its activity to the Commission.

Moreover, the Commission recently issued new rules, which make clear that Tenth District Blog is a political committee. Under these new rules, if a solicitation indicates that the funds received will be used to support the election of a Federal candidate, any funds received in response to that solicitation will be deemed to be contributions, thus triggering political committee status, and the attendant reporting obligations. There is no

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question here under the new regulations; a clearly identified candidate is mentioned, and the solicitation itself indicates that the money will be used directly for at least one Federal candidate. See 11 CFR 100.57.

B. Tenth District Blog Should be Reporting to the Commission

Because the Tenth District Blog is a political committee, its failure to file reports disclosing its activity to the Commission and the general public is a violation of the Act and Commission regulations.

Its failure to disclose hides from the general public several critical things. First, in light of its solicitations and status as a political committee, Tenth District Blog must adhere to other Commission rules regarding its internal overhead spending and the like, and its failure to report precludes a review of such activity. See 11 CFR 102.5, 104.10, 106.6.

Second, Tenth District Blog cannot engage in activities such as soliciting funds to be used in Federal elections with so-called soft money. In order to engage in such activities, Tenth District Blog must use funds permissible under Federal law. This was the central issue in MUR 5031 concerning Lane Evans – using funds beyond the limitations and prohibitions of Federal law in connection with Federal elections. The MUR resulted in a civil penalty of \$185,000. Tenth District Blog appears to be more of the same – a local shadow committee of some sort set up in Illinois to attack the Republican, and support the Democrat. Merely because the format has been slightly altered – an internet presence versus the sham local party committee of MUR 5031 does not change the severity of the offense.

Additionally, because Tenth District Blog solicits funds and is a political committee, it ought to include all the requisite disclaimers – Paid for by, best efforts, and the like.

Finally, Tenth District Blog's failure to report also gives rise to violations by the IL-10 General Election Fund and Zane Smith. In the event that Tenth District Blog is bundling contributions, or otherwise soliciting funds directly for the IL-10 General Election Fund or Zane Smith, such activity must also be reported. To not do so is a violation of the Act and Commission regulations. See Final Audit Report of the Audit Division on Volunteer PAC (Sept. 21, 2004) (failure to report funds raised).

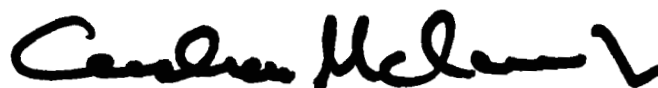
III. CONCLUSION

For the foregoing reasons, we respectfully request that the Commission investigate the matters raised in this complaint, and impose appropriate civil penalties against Tenth District Blog, the IL-10 General Election Fund and Zane Smith. Moreover, we also

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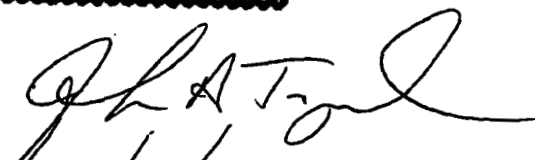
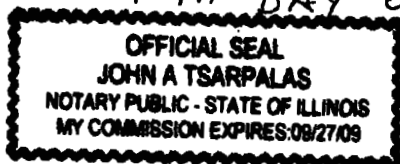
respectfully request that the Commission require Tenth District Blog to disclose its financing and other activity to the Commission and the general public, just as any other political committee is required to do.

Respectfully,



Andrew McKenna, Jr.

SUBSCRIBED & SWORN TO BEFORE ME ON THIS
7TH DAY OF JANUARY, 2006.



1/7/06

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